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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

**FORM 8-K**

**CURRENT REPORT**

**Pursuant to Section 13 OR 15(d) of The Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported): **August 3, 2017**

**SPX CORPORATION**

(Exact name of registrant as specified in its charter)

**Delaware**  
(State or other jurisdiction  
of incorporation)

**1-6948**  
(Commission  
File Number)

**38-1016240**  
(IRS Employer  
Identification No.)

**13320-A Ballantyne Corporate Place**  
**Charlotte, North Carolina 28277**  
(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code **(980) 474-3700**

**NOT APPLICABLE**

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (17 CFR §230.405) or Rule 12b-2 of the Securities Exchange Act of 1934 (17 CFR §240.12b-2).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

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## Item 2.02. Results of Operations and Financial Condition.

On August 3, 2017, SPX Corporation (the “Company”) issued the press release attached as Exhibit 99.1 hereto and incorporated herein by reference.

The press release incorporated by reference into this Item 2.02 contains certain non-GAAP financial measures, including disclosure regarding “Core revenues” and “Core segment income (loss)”, defined as revenues and segment income (loss) for the Company and its Engineered Solutions segment excluding the results of the South African projects. The South African projects have a finite life and, thus, are expected to have a diminishing impact on the Company’s and the Engineered Solutions segment’s operating results over the long-term. The Company’s management believes it is useful to investors to disclose revenues and segment income (loss) without the results of the South African projects to provide investors with metrics that the Company’s management uses to measure the overall performance of its core businesses. Core revenues and Core segment income (loss) do not provide investors with an accurate measure of, and should not be used as substitutes for, the Company’s revenues and operating income (loss) and the Engineered Solutions segment’s revenues and segment income (loss) as determined in accordance with accounting principles generally accepted in the United States (“GAAP”), and may not be comparable to similarly titled measures reported by other companies.

The press release incorporated by reference into this Item 2.02 also contains disclosure regarding adjusted operating income (loss) and adjusted earnings (loss) per share, defined as operating income (loss) and diluted net income (loss) per share from continuing operations excluding the following items: (a) results of the South African projects, (b) non-service pension and postretirement expense (income), (c) gain (loss) related to acquisitions/divestitures, (d) non-cash intangible impairment charges, each as applicable, as well as (e) the income tax impact of items (a) through (d). In addition to the Company’s South African projects, the Company’s management views the impact related to each of the other items as not indicative of the Company’s ongoing performance. The Company believes that inclusion of only the service cost and prior service cost components of pension and postretirement expense better reflects the ongoing costs of providing pension and postretirement benefits to its employees. Other components of GAAP pension and postretirement expense (income) are mainly driven by market performance, and the Company manages these separately from the operational performance of its business. The Company believes adjusted operating income (loss) and adjusted earnings (loss) per share, when read in conjunction with operating income (loss) and diluted net income (loss) per share from continuing operations, gives investors a useful tool to assess and understand the Company’s overall financial performance, because they exclude items of income or expense that the Company believes are not reflective of its ongoing operating performance, allowing for a better period-to-period comparison of operations of the Company. Additionally, the Company’s management uses adjusted operating income (loss) and adjusted earnings (loss) per share as measures of the Company’s performance. The adjusted operating income (loss) and adjusted earnings (loss) per share measures do not provide investors with an accurate measure of the actual operating income (loss) and diluted net income (loss) per share from continuing operations reported by the Company and should not be considered as substitutes for operating income (loss) and diluted net income (loss) per share from continuing operations as determined in accordance with GAAP, and may not be comparable to similarly titled measures reported by other companies.

The press release incorporated by reference into this Item 2.02 also contains disclosure regarding organic revenue growth (decline), defined as revenue growth (decline) excluding the effects of foreign currency fluctuations and acquisitions/divestitures, as applicable. In addition, for the three months ended July 1, 2017 the Company has excluded the impact of the revenue reduction that resulted from the second quarter 2017 revision to the expected revenues and profits on our large power projects in South Africa. The Company’s management believes that organic revenue growth (decline) is a useful financial measure for investors in evaluating operating performance for the periods presented, because excluding the effect of currency fluctuations, acquisitions/divestitures, and non-recurring revenue revisions associated with our large power projects in South Africa, when read in conjunction with the Company’s revenues, presents a useful tool to evaluate the Company’s ongoing operations and provides investors with a tool they can use to evaluate the Company’s management of assets held from period to period. In addition, organic revenue growth (decline) is one of the factors the Company’s management uses in internal evaluations of the overall performance of its business. This metric, however, should not be considered a substitute for revenue growth (decline) as determined in accordance with GAAP, and may not be comparable to similarly titled measures reported by other companies.

The press release incorporated by reference into this Item 2.02 also contains disclosure regarding free cash flow from (used in) continuing operations, defined as net cash from (used in) continuing operations less capital expenditures of continuing operations. The Company's management believes that free cash flow from (used in) continuing operations is a useful financial measure for investors in evaluating the cash flow performance of multi-industrial companies, since it provides insight into the cash flow available to fund such things as mandatory and discretionary debt reduction, equity repurchases, and acquisitions or other strategic investments. Free cash flow from (used in) continuing operations is not a measure of financial performance under GAAP. This measure should not be considered a substitute for net cash flow from (used in) continuing operations, as determined in accordance with GAAP, but rather should be used in combination with cash flows from (used in) operating activities as determined in accordance with GAAP, and may not be comparable to similarly titled measures reported by other companies.

Refer to the tables included in the press release for the components of each of the Company's non-GAAP financial measures referred to above, and for the reconciliations of these numbers to their respective comparable GAAP measures.

The information in this Report is being furnished and shall not be deemed "filed" for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that Section. The information in this Report shall not be deemed incorporated by reference into any filing under the Securities Act of 1933, as amended, except as shall be expressly set forth by specific reference in such filing.

**Item 9.01. Financial Statements and Exhibits.**

(d) Exhibits.

**Exhibit Number**

**Description**

99.1

Press Release issued August 3, 2017, furnished solely pursuant to Item 2.02 of Form 8-K

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

**SPX CORPORATION**

(Registrant)

Date: August 3, 2017

By: /s/ Scott W. Sproule

Scott W. Sproule

Vice President, Chief Financial Officer and  
Treasurer

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**EXHIBIT INDEX**

**Exhibit Number**

**Description**

99.1

Press Release issued August 3, 2017, furnished solely pursuant to Item 2.02 of Form 8-K

**SPX Reports Second Quarter 2017 Results****Q2 GAAP Loss Per Share of (\$0.19); Adjusted EPS\* of \$0.44  
Solid Core Operational Performance and Margin Expansion Continues  
Increasing Full-Year Adjusted EPS\* Guidance Range to \$1.65-\$1.75  
\$22.9 million Charge for the South African Projects;  
Timeline for Substantial Completion of Projects Accelerated to End of 2019**

CHARLOTTE, N.C., August 3, 2017 /Globe Newswire/ -- SPX Corporation (NYSE:SPXC) today reported results for the quarter ended July 1, 2017.

The results and guidance in this release include non-GAAP financial measures, including “Core” results, “adjusted operating income (loss)” and “adjusted earnings (loss) per share.” To provide clarity to its operating results, the company reports “Core” results, which exclude the effect of the South African projects, and separately reports on the progress and results associated with the South African projects. Other items adjusted out of operating income and earnings per share consist of non-service pension items as well as an adjustment to the gain on the sale of Dry Cooling that was recorded in Q2 2016.

Gene Lowe, President and CEO, remarked, “Operational initiatives helped to drive very strong results during the quarter, including significant margin increases in our Core Engineered Solutions and Detection & Measurement segments. Specifically, our operating model shift in process cooling, within Engineered Solutions, is delivering significant benefits and we are seeing strong order growth across our Detection & Measurement product lines. Our strong first half performance across our Core operations, combined with increased confidence in the second half, enables us to increase our full year Adjusted EPS\* and margin guidance.”

Mr. Lowe continued, “Over the last two years, we have taken numerous steps to accelerate work and reduce risks associated with the South African projects. As a result, we now expect to have only one of the original five scopes of work left by the end of 2017. During the first half, we took further actions to accelerate the timeline and improve our control over the projects; and, as a result of these factors, we recorded a charge of \$22.9 million to reflect an updated estimate of the cost to complete our work. We now expect substantial completion of our role in South Africa by the end of 2019, approximately one year ahead of our prior expectations. We estimate remaining cash usage from the second half of 2017 through the end of the projects to be approximately \$60 to \$70 million.”

**Second Quarter 2017 Overview:**

For the second quarter of 2017 the company reported revenue of \$349.7 million and operating income of \$4.1 million, compared with \$371.4 million and \$13.8 million, respectively, in the second quarter of 2016. Net loss per share from continuing operations was \$0.19, compared with a net loss per share of \$0.25 for the second quarter of 2016.

SPX Core revenue\* was \$347.7 million and adjusted operating income\* was \$32.0 million, compared with \$351.8 million and \$20.8 million, respectively, in the second quarter of 2016. Adjusted earnings per share\* for the second quarter of 2017 were \$0.44, compared with \$0.33 for the second quarter of 2016.

## Second Quarter and First Half Financial Comparisons:

### GAAP Results†:

(\$ millions)	Q2 2017	Q2 2016	2017 YTD	2016 YTD
Revenue	\$349.7	\$371.4	\$690.3	\$732.0
Segment Income	20.7	32.2	55.0	62.0
Operating Income	4.1	13.8	21.9	41.9

### Adjusted Results†:

(\$ millions)	Q2 2017	Q2 2016	2017 YTD	2016 YTD
Core Revenue*	\$347.7	\$351.8	\$670.1	\$691.9
Core Segment Income*	47.3	35.1	86.0	68.3
Adjusted Operating Income*	32.0	20.8	55.7	39.5

† The results of the European Power Generation business, which was sold at the end of Q4 2016, are presented as discontinued operations for 2016.

\* Non-GAAP financial measure. See attached schedules for reconciliation to most comparable GAAP financial measure.

## HVAC

Revenue for Q2 2017 was \$120.3 million, compared with \$121.9 million in Q2 2016, a decrease of 1.3%, including a 0.6% decline from currency fluctuations. Organic revenue\* decreased 0.7%, due primarily to the timing of revenue associated with cooling shipments, which were more heavily weighted in the first half of 2016.

Segment income was \$15.4 million, or 12.8% of revenue, in Q2 2017, compared with \$17.1 million, or 14.0% of revenue, in Q2 2016, with the decrease largely due to a less profitable sales mix associated with the timing of revenue from cooling shipments.

## Detection & Measurement

Revenue for Q2 2017 was \$64.5 million, compared with \$60.1 million in Q2 2016, an increase of 7.3%, including a 1.5% decline from currency fluctuations. Organic revenue\* increased 8.8% primarily reflecting higher sales of bus fare collection systems and obstruction lighting products.

Segment income was \$17.3 million, or 26.8% of revenue, in Q2 2017, compared with \$12.1 million, or 20.1% of revenue, in Q2 2016. The 670 basis point increase in segment margins was driven by a higher profit contribution from increased sales of bus fare collection systems and obstruction lighting products as well as lower SG&A costs.

## Engineered Solutions

Revenue for Q2 2017 was \$164.9 million, compared with \$189.4 million in Q2 2016, a decrease of 12.9%, which includes a 1.7% benefit from currency fluctuations. The decrease was driven primarily by a \$13.5 million, or 7.1%, reduction in revenue associated with the South African projects charge, and a decline in organic revenue\* of 7.5% driven primarily by the timing of transformer shipments.



Segment loss was \$12.0 million in Q2 2017, compared with segment income of \$3.0 million in Q2 2016. The decline in segment income was driven by the \$22.9 million charge associated with our South African projects, partially offset by operating model improvements, a favorable project mix, and cost reductions in our process cooling business.

#### *Engineered Solutions (Core)*

Excluding the results of the South African projects, Engineered Solutions recorded Core revenue\* for Q2 2017 of \$162.9 million, compared with \$169.8 million in Q2 2016, a decrease of 4.1%, including a 0.3% benefit from currency fluctuations. The reduction in organic revenue\* of 4.4% was driven primarily by the timing of transformer shipments.

Engineered Solutions' Core income\* for Q2 2017 was \$14.6 million, or 9.0% of revenue, compared with \$5.9 million, or 3.5% of revenue, in Q2 2016. The increase in income and margins\* was driven primarily by operating model improvements, a favorable project mix, and cost reductions in our process cooling business.

#### *South African Projects*

Revenue attributable to the large South African projects for Q2 2017 was \$2.0 million, compared with \$19.6 million in Q2 2016. Losses for these projects recorded in our Engineered Solutions segment in Q2 2017 were \$26.6 million, compared with a loss of \$2.9 million in Q2 2016. During Q2 2017, the company recorded a charge of \$22.9 million to revise the amount of expected revenue and costs on the projects in South Africa, which resulted in a reduction in revenue of \$13.5 million and an increase in cost of \$9.4 million.

#### **Financial Update:**

As of July 1, 2017, SPX had total outstanding debt of \$367.4 million and total cash and equivalents of \$83.5 million. During the second quarter of 2017, net operating cash flow used in continuing operations was \$15.1 million and included cash used for the South African projects of \$13.7 million. Free cash flow used in continuing operations\* totaled \$17.7 million. Net leverage, as calculated under the company's bank credit agreement, was 2.2x, unchanged from Q1 2017.

#### **Raising 2017 Adjusted EPS\* Guidance:**

SPX now expects 2017 Core revenue\* of approximately \$1.35 to \$1.40 billion, up from the previous guidance range of \$1.30 to \$1.40 billion. Core segment income margin\* is now expected to be approximately 13.0%, up from the previous guidance range of 12.0-13.0%. SPX now expects adjusted operating income margin\* to be in the 8.5-9.0% range, up from the previous guidance range of 8.0-9.0%. Adjusted earnings per share\* are now expected to be \$1.65 to \$1.75, up from the previous guidance range of \$1.55 to \$1.70.

On a year-over-year basis, we expect segment performance to be as follows (changes **bolded**):

	<b>Revenue</b>	<b>Segment Income Margin %</b>	
HVAC	Organic growth* at the lower end of our long-term target range of 2.0-4.0%, with variability driven primarily by winter heating demand	Approximately 16.0%	
Detection & Measurement	Organic growth* <b>above</b> the long-term target range of 2.0-6.0%, with variability driven primarily by timing of project-related revenue	Approximately <b>22.5-23.0%</b>	(previously 21.0-22.0%)
Engineered Solutions (Core)*	Organic decline* in mid-single digit %, with flat Transformer revenues and more selective market participation in Process Cooling	Approximately <b>6.5-7.0%</b>	(previously 6.0-7.0%)

**Form 10-Q:** The company expects to file its quarterly report on Form 10-Q for the quarter ended July 1, 2017 with the Securities and Exchange Commission on or before August, 10, 2017. This press release should be read in conjunction with that filing, which will be available on the company's website at [www.spx.com](http://www.spx.com), in the Investor Relations section.

**Conference Call:** SPX will host a conference call at 4:45 p.m. (EDT) today to discuss second quarter results. The call will be simultaneously webcast via the company's website at [www.spx.com](http://www.spx.com) and the slide presentation will be available in the Investor Relations section of the site.

Conference call

Dial in: 877-341-7727

From outside the United States: +1 262-558-6098

Participant code: 54130622

A replay of the call will be available by telephone through Thursday, August 10th.

To listen to a replay of the call

Dial in: 855-859-2056

From outside the United States: +1 404-537-3406

Participant code: 54130622

**Upcoming Investor Events:** Company management plans to be on the road during August meeting with investors.

**About SPX Corporation:** SPX Corporation is a supplier of highly engineered products and technologies, holding leadership positions in the HVAC, detection and measurement, and engineered solutions markets. Based in Charlotte, North Carolina, SPX Corporation had approximately \$1.5 billion in annual revenue in 2016 and more than 5,000 employees in about 15 countries. SPX Corporation is listed on the New York Stock Exchange under the ticker symbol "SPXC." For more information, please visit [www.spx.com](http://www.spx.com).

\*Non-GAAP financial measure. See attached schedules for reconciliation to most comparable GAAP financial measure.

Note: Our non-GAAP financial guidance excludes items, which would be included in our GAAP financial measures, that we do not consider indicative of our on-going performance. These items include, but are not limited to, transaction and acquisition costs, costs associated with dispositions, the results of our South African projects, and potential non-cash income or expense items associated with changes in market interest rates and actuarial or other data related to our pension and postretirement plans, as the ultimate aggregate amounts associated with these items are out of our control and/or cannot be reasonably predicted. Accordingly, a reconciliation of our non-GAAP financial guidance to the nearest corresponding GAAP financial measures is not practicable.

Certain statements in this press release are forward-looking statements within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended, and are subject to the safe harbor created thereby. Please read these results in conjunction with the company's documents filed with the Securities and Exchange Commission, including the company's annual reports on Form 10-K, and any amendments thereto, and quarterly reports on Form 10-Q. These filings identify important risk factors and other uncertainties that could cause actual results to differ from those contained in the forward-looking statements. Actual results may differ materially from these statements. The words "believe," "expect," "anticipate," "project" and similar expressions identify forward-looking statements. Although the company believes that the expectations reflected in its forward-looking statements are reasonable, it can give no assurance that such expectations will prove to be correct. In addition, estimates of future operating results are based on the company's current complement of businesses, which is subject to change.

Statements in this press release speak only as of the date of this press release, and SPX disclaims any responsibility to update or revise such statements.

SOURCE SPX Corporation.

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**SPX CORPORATION AND SUBSIDIARIES**  
**CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS**  
(Unaudited; in millions, except per share amounts)

	Three months ended		Six months ended	
	July 1, 2017	July 2, 2016	July 1, 2017	July 2, 2016
Revenues	\$ 349.7	\$ 371.4	\$ 690.3	\$ 732.0
Costs and expenses:				
Cost of products sold	273.6	280.3	526.1	551.0
Selling, general and administrative	71.4	72.8	141.0	147.1
Intangible amortization	0.1	0.9	0.3	1.8
Special charges, net	0.5	2.4	1.0	2.9
Impairment of intangible assets	—	—	—	4.0
Gain (loss) on sale of dry cooling business	—	(1.2)	—	16.7
Operating income	<u>4.1</u>	<u>13.8</u>	<u>21.9</u>	<u>41.9</u>
Other income (expense), net	(2.1)	0.1	(2.8)	1.3
Interest expense	(4.6)	(3.8)	(8.6)	(7.3)
Interest income	0.3	0.2	0.7	0.4
Income (loss) from continuing operations before income taxes	<u>(2.3)</u>	<u>10.3</u>	<u>11.2</u>	<u>36.3</u>
Income tax provision	(6.0)	(3.8)	(9.2)	(9.6)
Income (loss) from continuing operations	<u>(8.3)</u>	<u>6.5</u>	<u>2.0</u>	<u>26.7</u>
Loss from discontinued operations, net of tax	—	(3.1)	—	(8.6)
Gain (loss) on disposition of discontinued operations, net of tax	(0.7)	(0.4)	6.4	(1.5)
Income (loss) from discontinued operations, net of tax	<u>(0.7)</u>	<u>(3.5)</u>	<u>6.4</u>	<u>(10.1)</u>
Net income (loss)	(9.0)	3.0	8.4	16.6
Less: Net loss attributable to redeemable noncontrolling interests	—	(1.0)	—	(0.4)
Net income (loss) attributable to SPX Corporation common shareholders	<u>\$ (9.0)</u>	<u>\$ 4.0</u>	<u>\$ 8.4</u>	<u>\$ 17.0</u>
Adjustment related to redeemable noncontrolling interest	—	(18.1)	—	(18.1)
Net income (loss) attributable to SPX Corporation common shareholders after adjustment related to redeemable noncontrolling interest	<u><u>\$ (9.0)</u></u>	<u><u>\$ (14.1)</u></u>	<u><u>\$ 8.4</u></u>	<u><u>\$ (1.1)</u></u>
Amounts attributable to SPX Corporation common shareholders after adjustment related to redeemable noncontrolling interest:				
Income (loss) from continuing operations, net of tax	<u>\$ (8.3)</u>	<u>\$ (10.6)</u>	<u>\$ 2.0</u>	<u>\$ 9.0</u>
Income (loss) from discontinued operations, net of tax	<u>(0.7)</u>	<u>(3.5)</u>	<u>6.4</u>	<u>(10.1)</u>
Net income (loss)	<u><u>\$ (9.0)</u></u>	<u><u>\$ (14.1)</u></u>	<u><u>\$ 8.4</u></u>	<u><u>\$ (1.1)</u></u>
Basic income (loss) per share of common stock:				
Income (loss) from continuing operations attributable to SPX Corporation common shareholders after adjustment related to redeemable noncontrolling interest	<u>\$ (0.19)</u>	<u>\$ (0.25)</u>	<u>\$ 0.05</u>	<u>\$ 0.22</u>
Income (loss) from discontinued operations attributable to SPX Corporation common shareholders	<u>(0.02)</u>	<u>(0.09)</u>	<u>0.15</u>	<u>(0.25)</u>
Net income (loss) per share attributable to SPX Corporation common shareholders after adjustment related to redeemable noncontrolling interest	<u><u>\$ (0.21)</u></u>	<u><u>\$ (0.34)</u></u>	<u><u>\$ 0.20</u></u>	<u><u>\$ (0.03)</u></u>
Weighted-average number of common shares outstanding — basic	42.388	41.594	42.249	41.443
Diluted income (loss) per share of common stock:				
Income (loss) from continuing operations attributable to SPX Corporation common shareholders after adjustment related to redeemable noncontrolling interest	<u>\$ (0.19)</u>	<u>\$ (0.25)</u>	<u>\$ 0.04</u>	<u>\$ 0.22</u>
Income (loss) from discontinued operations attributable to SPX Corporation common shareholders	<u>(0.02)</u>	<u>(0.09)</u>	<u>0.15</u>	<u>(0.25)</u>
Net income (loss) per share attributable to SPX Corporation common shareholders after adjustment related to redeemable noncontrolling interest	<u><u>\$ (0.21)</u></u>	<u><u>\$ (0.34)</u></u>	<u><u>\$ 0.19</u></u>	<u><u>\$ (0.03)</u></u>
Weighted-average number of common shares outstanding — diluted	42.388	41.594	43.622	41.754

**SPX CORPORATION AND SUBSIDIARIES**  
**CONDENSED CONSOLIDATED BALANCE SHEETS**  
(Unaudited; in millions)

	July 1, 2017	December 31, 2016
<b>ASSETS</b>		
Current assets:		
Cash and equivalents	\$ 83.5	\$ 99.6
Accounts receivable, net	252.0	251.7
Inventories, net	168.3	145.7
Other current assets	35.1	30.6
Total current assets	<u>538.9</u>	<u>527.6</u>
Property, plant and equipment:		
Land	15.4	15.4
Buildings and leasehold improvements	119.5	117.3
Machinery and equipment	334.1	329.8
	<u>469.0</u>	<u>462.5</u>
Accumulated depreciation	(277.4)	(267.0)
Property, plant and equipment, net	191.6	195.5
Goodwill	344.1	340.4
Intangibles, net	118.4	117.9
Other assets	671.9	680.5
Deferred income taxes	64.5	50.6
<b>TOTAL ASSETS</b>	<u>\$ 1,929.4</u>	<u>\$ 1,912.5</u>
<b>LIABILITIES AND EQUITY</b>		
Current liabilities:		
Accounts payable	\$ 140.8	\$ 137.6
Accrued expenses	291.2	304.3
Income taxes payable	1.3	1.7
Short-term debt	33.9	14.8
Current maturities of long-term debt	18.1	17.9
Total current liabilities	<u>485.3</u>	<u>476.3</u>
Long-term debt	315.4	323.5
Deferred and other income taxes	45.6	42.4
Other long-term liabilities	874.4	878.7
Total long-term liabilities	<u>1,235.4</u>	<u>1,244.6</u>
Equity:		
Common stock	0.5	0.5
Paid-in capital	1,301.5	1,307.9
Retained deficit	(823.2)	(831.6)
Accumulated other comprehensive income	234.2	235.1
Common stock in treasury	(504.3)	(520.3)
Total equity	<u>208.7</u>	<u>191.6</u>
<b>TOTAL LIABILITIES AND EQUITY</b>	<u>\$ 1,929.4</u>	<u>\$ 1,912.5</u>

**SPX CORPORATION AND SUBSIDIARIES**  
**RESULTS OF REPORTABLE SEGMENTS**  
(Unaudited; in millions)

	Three months ended				Six months ended			
	July 1, 2017	July 2, 2016	Δ	%/bps	July 1, 2017	July 2, 2016	Δ	%/bps
<b>HVAC reportable segment</b>								
Revenues	\$ 120.3	\$ 121.9	\$ (1.6)	(1.3)%	\$ 230.4	\$ 233.5	\$ (3.1)	(1.3)%
Gross profit	38.2	41.1	(2.9)		76.4	80.5	(4.1)	
Selling, general and administrative expense	22.7	23.9	(1.2)		44.3	47.3	(3.0)	
Intangible amortization expense	0.1	0.1	—		0.2	0.2	—	
Income	\$ 15.4	\$ 17.1	\$ (1.7)	(9.9)%	\$ 31.9	\$ 33.0	\$ (1.1)	(3.3)%
as a percent of revenues	12.8 %	14.0%		-120 bps	13.8 %	14.1%		-30 bps
<b>Detection &amp; Measurement reportable segment</b>								
Revenues	\$ 64.5	\$ 60.1	\$ 4.4	7.3 %	\$ 118.1	\$ 115.5	\$ 2.6	2.3 %
Gross profit	31.9	28.3	3.6		56.7	54.2	2.5	
Selling, general and administrative expense	14.6	16.0	(1.4)		28.2	30.7	(2.5)	
Intangible amortization expense	—	0.2	(0.2)		—	0.4	(0.4)	
Income	\$ 17.3	\$ 12.1	\$ 5.2	43.0 %	\$ 28.5	\$ 23.1	\$ 5.4	23.4 %
as a percent of revenues	26.8 %	20.1%		670 bps	24.1 %	20.0%		410 bps
<b>Engineered Solutions reportable segment</b>								
Revenues	\$ 164.9	\$ 189.4	\$ (24.5)	(12.9)%	\$ 341.8	\$ 383.0	\$ (41.2)	(10.8)%
Gross profit	6.0	21.7	(15.7)		31.1	46.1	(15.0)	
Selling, general and administrative expense	18.0	18.1	(0.1)		36.4	39.0	(2.6)	
Intangible amortization expense	—	0.6	(0.6)		0.1	1.2	(1.1)	
Income (loss)	\$ (12.0)	\$ 3.0	\$ (15.0)	(500.0)%	\$ (5.4)	\$ 5.9	\$ (11.3)	(191.5)%
as a percent of revenues	(7.3)%	1.6%		-890 bps	(1.6)%	1.5%		-310 bps
<b>Consolidated Revenues</b>	<b>\$ 349.7</b>	<b>\$ 371.4</b>	<b>\$ (21.7)</b>	<b>(5.8)%</b>	<b>\$ 690.3</b>	<b>\$ 732.0</b>	<b>\$ (41.7)</b>	<b>(5.7)%</b>
<b>Consolidated Segment Income</b>	<b>20.7</b>	<b>32.2</b>	<b>(11.5)</b>	<b>(35.7)%</b>	<b>55.0</b>	<b>62.0</b>	<b>(7.0)</b>	<b>(11.3)%</b>
<b>as a percent of revenues</b>	<b>5.9 %</b>	<b>8.7%</b>		<b>-280 bps</b>	<b>8.0 %</b>	<b>8.5%</b>		<b>-50 bps</b>
Total income for reportable segments	\$ 20.7	\$ 32.2	\$ (11.5)		\$ 55.0	\$ 62.0	\$ (7.0)	
Corporate expense	11.3	8.6	2.7		22.7	20.0	2.7	
Pension and postretirement expense	1.2	2.8	(1.6)		2.6	3.8	(1.2)	
Long-term incentive compensation expense	3.6	3.4	0.2		6.8	6.1	0.7	
Impairment of intangible assets	—	—	—		—	4.0	(4.0)	
Special charges, net	0.5	2.4	(1.9)		1.0	2.9	(1.9)	
Gain (loss) on sale of dry cooling business	—	(1.2)	1.2		—	16.7	(16.7)	
<b>Consolidated operating income</b>	<b>\$ 4.1</b>	<b>\$ 13.8</b>	<b>\$ (9.7)</b>	<b>(70.3)%</b>	<b>\$ 21.9</b>	<b>\$ 41.9</b>	<b>\$ (20.0)</b>	<b>(47.7)%</b>
as a percent of revenues	1.2 %	3.7%		-250 bps	3.2 %	5.7%		-250 bps

**SPX CORPORATION AND SUBSIDIARIES**  
**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**  
(Unaudited; in millions)

	Three months ended		Six months ended	
	July 1, 2017	July 2, 2016	July 1, 2017	July 2, 2016
<b>Cash flows from (used in) operating activities:</b>				
Net Income (loss)	\$ (9.0)	\$ 3.0	\$ 8.4	\$ 16.6
Less: Income (loss) from discontinued operations, net of tax	(0.7)	(3.5)	6.4	(10.1)
Income (loss) from continuing operations	(8.3)	6.5	2.0	26.7
Adjustments to reconcile income (loss) from continuing operations to net cash from (used in) operating activities:				
Special charges, net	0.5	2.4	1.0	2.9
(Gain) loss on sale of dry cooling business	—	1.2	—	(16.7)
Impairment of intangible assets	—	—	—	4.0
Deferred and other income taxes	0.1	0.4	(3.8)	1.7
Depreciation and amortization	6.3	6.5	12.6	13.2
Pension and other employee benefits	3.3	4.7	7.5	8.6
Long-term incentive compensation	3.6	3.4	6.8	6.1
Other, net	0.1	(0.4)	1.7	1.4
Changes in operating assets and liabilities, net of effects from divestiture:				
Accounts receivable and other assets	(27.6)	12.5	6.1	33.9
Inventories	(7.1)	7.0	(20.3)	(17.5)
Accounts payable, accrued expenses and other	14.4	(6.5)	(22.3)	(76.8)
Cash spending on restructuring actions	(0.4)	(0.8)	(1.0)	(1.2)
Net cash from (used in) continuing operations	(15.1)	36.9	(9.7)	(13.7)
Net cash used in discontinued operations	(2.0)	(14.1)	(5.7)	(25.7)
Net cash from (used in) operating activities	(17.1)	22.8	(15.4)	(39.4)
<b>Cash flows from (used in) investing activities:</b>				
Proceeds from asset sales	—	0.1	—	46.0
Capital expenditures	(2.6)	(2.0)	(4.8)	(3.7)
Net cash from (used in) continuing operations	(2.6)	(1.9)	(4.8)	42.3
Net cash used in discontinued operations	—	(2.0)	—	(2.3)
Net cash from (used in) investing activities	(2.6)	(3.9)	(4.8)	40.0
<b>Cash flows from (used in) financing activities:</b>				
Borrowings under senior credit facilities	16.0	36.1	16.0	65.0
Repayments under senior credit facilities	(20.4)	(45.8)	(24.7)	(65.0)
Borrowings under trade receivables financing arrangement	40.0	—	40.0	20.0
Repayments under trade receivables financing arrangement	(19.0)	—	(19.0)	(20.0)
Net repayments under other financing arrangements	(4.4)	(7.0)	(2.7)	(0.6)
Minimum withholdings paid on behalf of employees for net share settlements, net of proceeds from the exercise of employee stock options and other	0.7	0.1	(1.8)	(1.6)
Net cash from (used in) continuing operations	12.9	(16.6)	7.8	(2.2)
Net cash used in discontinued operations	—	—	—	—
Net cash from (used in) financing activities	12.9	(16.6)	7.8	(2.2)
Change in cash and equivalents due to changes in foreign currency exchange rates	(2.4)	1.8	(3.7)	2.2
Net change in cash and equivalents	(9.2)	4.1	(16.1)	0.6
Consolidated cash and equivalents, beginning of period	92.7	97.9	99.6	101.4
Consolidated cash and equivalents, end of period	\$ 83.5	\$ 102.0	\$ 83.5	\$ 102.0

**SPX CORPORATION AND SUBSIDIARIES**  
**CASH AND DEBT RECONCILIATION**  
(Unaudited; in millions)

	Six months ended July 1, 2017	
Beginning cash and equivalents	\$	99.6
Cash used in continuing operations		(9.7)
Capital expenditures		(4.8)
Borrowings under senior credit facilities		16.0
Repayments under senior credit facilities		(24.7)
Net borrowings under other financing arrangements		18.3
Minimum withholdings paid on behalf of employees for net share settlements, net of proceeds from the exercise of employee stock options		(1.8)
Cash used in discontinued operations		(5.7)
Change in cash due to changes in foreign currency exchange rates		(3.7)
Ending cash and equivalents	\$	83.5

	Debt at				Debt at	
	December 31, 2016	Borrowings	Repayments	Other	July 1, 2017	
Domestic revolving loan facility	\$ —	\$ 16.0	\$ (16.0)	\$ —	\$ —	\$ —
Term loan	341.2	—	(8.7)	—	332.5	332.5
Trade receivables financing arrangement	—	40.0	(19.0)	—	21.0	21.0
Other indebtedness	16.6	21.4	(24.1)	1.4	15.3	15.3
Less: Deferred financing costs associated with the term loan	(1.6)	—	—	0.2	(1.4)	(1.4)
Totals	\$ 356.2	\$ 77.4	\$ (67.8)	\$ 1.6	\$ 367.4	\$ 367.4



**SPX CORPORATION AND SUBSIDIARIES**  
**NON-GAAP RECONCILIATION - ORGANIC REVENUE**  
**HVAC, DETECTION & MEASUREMENT AND ENGINEERED SOLUTIONS SEGMENTS**  
**(Unaudited)**

	Three months ended July 1, 2017		
	HVAC	Detection & Measurement	Engineered Solutions
Net Revenue Growth (Decline)	(1.3) %	7.3 %	(12.9) %
Exclude: Foreign Currency	(0.6) %	(1.5) %	1.7 %
Exclude: South Africa revenue revision	— %	— %	(7.1) %
Organic Revenue Growth (Decline)	<u>(0.7) %</u>	<u>8.8 %</u>	<u>(7.5) %</u>

**SPX CORPORATION AND SUBSIDIARIES**  
**NON-GAAP RECONCILIATION - ENGINEERED SOLUTIONS (CORE) ORGANIC REVENUE**  
**(Unaudited)**

	<b>Three months ended</b>
	<b>July 1, 2017</b>
Engineered Solutions Segment Net Revenue Decline	(12.9) %
Adjustment to Exclude South African projects	(8.8) %
Engineered Solutions (Core) Revenue Decline	(4.1) %
Exclude: Foreign Currency	0.3 %
Engineered Solutions (Core) Organic Revenue Decline	(4.4) %

**SPX CORPORATION AND SUBSIDIARIES**  
**NON-GAAP RECONCILIATION - REVENUE AND SEGMENT INCOME**  
(Unaudited; in millions)

<b>CONSOLIDATED SPX:</b>	Three months ended		Six months ended	
	July 1, 2017	July 2, 2016	July 1, 2017	July 2, 2016
Consolidated revenue	\$ 349.7	\$ 371.4	\$ 690.3	\$ 732.0
Exclude: South African projects	2.0	19.6	20.2	40.1
Core revenue	\$ 347.7	\$ 351.8	\$ 670.1	\$ 691.9
Total segment income	\$ 20.7	\$ 32.2	\$ 55.0	\$ 62.0
Exclude: South African projects	(26.6)	(2.9)	(31.0)	(6.3)
Core segment income	\$ 47.3	\$ 35.1	\$ 86.0	\$ 68.3
as a percent of Core revenues <sup>(1)</sup>	13.6%	10.0%	12.8%	9.9%

<b>ENGINEERED SOLUTIONS SEGMENT:</b>	Three months ended	
	July 1, 2017	July 2, 2016
Engineered Solutions revenue	\$ 164.9	\$ 189.4
Exclude: South African projects	2.0	19.6
Engineered Solutions (Core) revenue	\$ 162.9	\$ 169.8
Engineered Solutions Segment income (loss)	\$ (12.0)	\$ 3.0
Exclude: South African projects	(26.6)	(2.9)
Engineered Solutions (Core) income	\$ 14.6	\$ 5.9
as a percent of Engineered Solutions (Core) revenues <sup>(1)</sup>	9.0%	3.5%

<sup>(1)</sup> See "Results of Reportable Segments" for applicable percentages based on GAAP results.

**SPX CORPORATION AND SUBSIDIARIES**  
**NON-GAAP RECONCILIATION - OPERATING INCOME**  
(Unaudited; in millions)

	Three months ended		Six months ended	
	July 1, 2017	July 2, 2016	July 1, 2017	July 2, 2016
Operating income	\$ 4.1	\$ 13.8	\$ 21.9	\$ 41.9
Exclude:				
South African projects	26.6	2.9	31.0	6.3
Non-service pension and postretirement items	1.3	2.9	2.8	4.0
(Gain) loss on sale of Dry Cooling	—	1.2	—	(16.7)
Non-cash impairment of intangible assets	—	—	—	4.0
Adjusted operating income	<u>\$ 32.0</u>	<u>\$ 20.8</u>	<u>\$ 55.7</u>	<u>\$ 39.5</u>
as a percent of Core revenues <sup>(1)</sup>	<u>9.2%</u>	<u>5.9%</u>	<u>8.3%</u>	<u>5.7%</u>

<sup>(1)</sup> See "Results of Reportable Segments" for applicable percentages based on GAAP results.

**SPX CORPORATION AND SUBSIDIARIES**  
**NON-GAAP RECONCILIATION - EARNINGS PER SHARE**  
**Three Months Ended July 1, 2017**  
**(Unaudited; in millions, except per share values)**

	GAAP	Adjustments	Adjusted
Segment income <sup>(1)</sup>	\$ 20.7	\$ 26.6	\$ 47.3
Corporate expense	(11.3)	—	(11.3)
Pension and postretirement income (expense) <sup>(2)</sup>	(1.2)	1.3	0.1
Long-term incentive compensation expense	(3.6)	—	(3.6)
Special charges, net	(0.5)	—	(0.5)
<b>Operating income</b>	<b>4.1</b>	<b>27.9</b>	<b>32.0</b>
Other expense, net <sup>(3)</sup>	(2.1)	0.3	(1.8)
Interest expense, net <sup>(4)</sup>	(4.3)	0.3	(4.0)
<b>Income (loss) from continuing operations before income taxes</b>	<b>(2.3)</b>	<b>28.5</b>	<b>26.2</b>
Income tax provision	(6.0)	(0.8)	(6.8)
<b>Income (loss) from continuing operations</b>	<b>(8.3)</b>	<b>27.7</b>	<b>19.4</b>
Dilutive shares outstanding	42.388		43.789
<b>Income (loss) per share from continuing operations</b>	<b>\$ (0.19)</b>		<b>\$ 0.44</b>

<sup>(1)</sup> Adjustment represents the removal of operating losses associated with the South African projects.

<sup>(2)</sup> Adjustment represents the removal of non-service pension and postretirement items.

<sup>(3)</sup> Adjustment represents removal of foreign currency losses associated with the South African projects.

<sup>(4)</sup> Adjustment relates to removal of interest expense incurred in connection with borrowings under a line of credit in South Africa.

**SPX CORPORATION AND SUBSIDIARIES**  
**NON-GAAP RECONCILIATION - EARNINGS PER SHARE**  
**Three Months Ended July 2, 2016**  
**(Unaudited; in millions, except per share values)**

	GAAP	Adjustments	Adjusted
Segment income <sup>(1)</sup>	32.2	2.9	35.1
Corporate expense	(8.6)	—	(8.6)
Pension and postretirement income (expense) <sup>(2)</sup>	(2.8)	2.9	0.1
Long-term incentive compensation expense	(3.4)	—	(3.4)
Special charges, net	(2.4)	—	(2.4)
Loss on sale of dry cooling business <sup>(3)</sup>	(1.2)	1.2	—
<b>Operating income</b>	<b>13.8</b>	<b>7.0</b>	<b>20.8</b>
Other income, net <sup>(4)</sup>	0.1	2.1	2.2
Interest expense, net	(3.6)	—	(3.6)
<b>Income from continuing operations before income taxes</b>	<b>10.3</b>	<b>9.1</b>	<b>19.4</b>
Income tax provision	(3.8)	(1.9)	(5.7)
<b>Income from continuing operations</b>	<b>6.5</b>	<b>7.2</b>	<b>13.7</b>
Less: Net loss attributable to redeemable noncontrolling interest <sup>(5)</sup>	(1.0)	0.9	(0.1)
<b>Net income from continuing operations attributable to SPX Corporation common shareholders</b>	<b>7.5</b>	<b>6.3</b>	<b>13.8</b>
Adjustment related to redeemable noncontrolling interest <sup>(5)</sup>	(18.1)	18.1	—
<b>Net income (loss) from continuing operations attributable to SPX Corporation common shareholders after adjustment to redeemable noncontrolling interest</b>	<b>\$ (10.6)</b>	<b>\$ 24.4</b>	<b>\$ 13.8</b>
Dilutive shares outstanding	41,594		41,954
<b>Income (loss) per share from continuing operations</b>	<b>\$ (0.25)</b>		<b>\$ 0.33</b>

<sup>(1)</sup> Adjustment represents the removal of operating losses associated with the South African projects.

<sup>(2)</sup> Adjustment represents the removal of non-service pension and postretirement items.

<sup>(3)</sup> Adjustment represents removal of loss on sale of dry cooling business.

<sup>(4)</sup> Adjustment represents removal of foreign currency losses associated with the South African projects.

<sup>(5)</sup> Adjustment represents removal of noncontrolling interest amounts associated with the South African projects.

**SPX CORPORATION AND SUBSIDIARIES**  
**NON-GAAP RECONCILIATION - FREE CASH FLOW USED IN CONTINUING OPERATIONS**  
**(Unaudited; in millions)**

	<b>Three months ended</b>	
	<b>July 1, 2017</b>	
Net cash used in continuing operations	\$	(15.1)
Capital expenditures - continuing operations		(2.6)
Free cash flow used in continuing operations	\$	(17.7)